

**House Bill 2  
2003 House Appropriations Committee  
State Superintendent Linda McCulloch Remarks**

**Good Morning. For the record, I am Linda McCulloch, Superintendent of Public Instruction.**

**I would like to thank the Joint Appropriations Subcommittee on Education for several productive days in January examining the education agency's budget in detail, which also allowed me an opportunity to dispel many misunderstandings about the OPI.**

**When I testified before this committee on House Bill 643, sponsored by Rep. Bayleat, I was fortunate to have an opportunity to present detailed information on our agency budget. I will not do so again today, but if any one would like a copy, I brought informational packets with me and I will be available for questions.**

**When we talk schools in Montana we're talking about 150,000 students, 12,047 certified staff, 441 school districts, and 870 public schools.**

**I'd like to make a couple of points regarding the actions of the subcommittee:**

- 1. First, I would like to recognize the Subcommittee for their support to fund the half million dollars for statewide student assessment over the biennium. This appropriation will allow OPI to fund a contract for the annual assessment of students in grades 4,8, and 11 as required by the Board of Public Education and the Elementary and Secondary Education Act of 1994. It's a good thing that school districts won't have to use money for these tests that would otherwise go for classroom teaching.**
- 2. Secondly, it is important to note that the K-12 education agency, OPI, is already sustaining a general fund budget for the current biennium that is \$1.1 million less than it was for the previous biennium due to cuts made last Legislative session, the Governor's 3.5% reduction and the special session cuts. The \$800,000 biennial targeted expenditure reductions from this Legislative session -- will further reduce our agency's FY2004 and FY2005 biennial budget. Keep in mind that our budget is just over \$4 million per year.**

**A reduction to the K-12 education agency budget does mean cuts in services and resources to Montana's classrooms and students. Frankly, at this point, I am not entirely sure how I will handle over \$800,000 of new cuts while continuing to meet the needs of our number one priority – our Montana**

classrooms. Prudently, I am waiting to see what bills pass and what requirements will be placed on our agency before making those cuts.

Montana will be receiving additional federal funds for Montana's K-12 public education system; however, President Bush's No Child Left Behind Act has very specific requirements. To perform our state activities that are not federally required, Montana may not use federal money. I will take a very serious look at any and all opportunities for us to utilize these funding streams, while also being acutely aware that it is a violation of federal law for Montana to supplant or replace state expenditures with federal funds. I will not miss-spend federal funds.

My office has requested an amendment to increase our spending authority for federal funds for our local school districts. The U.S. Dept. of Education has just given us a revised estimate for federal funds. (Thank whoever carries the amendment.)

The Office of Public Instruction is a very small and efficient state agency. The circumstances before us necessitate our K-12 education agency eliminating services and supportive resources to schools at a time when schools are already struggling. It is my goal to minimize the impact to our 150,000 public school children as best as I can. Members of my staff and I are available for questions or any information that you may have at any time.

I thank you for your time today.